OFFICIAL ROUTING SLIP  TO NAME AND ADDRESS DATE INITIALS  1 2C  2  3  4  5  6  VACTION DIRECT REPLY PREPARE REPLY APPROVAL DISPLICH RECOMMENDATION COMMENT FILE RETURN CONCURRENCE INFORMATION SIGNATURE  Remarks:  Please make the necessary ackliftonal distribution of the attached GAO report and comment to the DDC1 re next step, if the recommendations of the report will have an impact on the Agency.		d For Release 20 SEMBIR WILL CH UNCLASSIFIED		CONFIDE			SECRET	
1 /C  2  3  4  5  6 /  V ACTION DIRECT REPLY PREPARE REPLY APPROVAL DISPLICE RECOMMENDATION COMMENT FILE RETURN CONCURRENCE INFORMATION SIGNATURE  Remarks: Please make the necessary acklifional distribution of the attacheci GAO report und comment to the DDC1 re next step, if the recommendations of the		OFFI	CIAL	ROUTING	G SL	IP S	<b>域</b>	
3 4 5 6 / ACTION DIRECT REPLY PREPARE REPLY APPROVAL DISPATCH RECOMMENDATION COMMENT FILE RETURN CONCURRENCE INFORMATION SIGNATURE  Remarks: Please make the necessary acklitional distribution of the attached GAO report and comment to the DDC1 re next step, if the recommendations of the	то	NAME AN	DATE		INITIAL			
3 4 5 6 Vaction Direct Reply PREPARE REPLY APPROVAL DISPLATEN RECOMMENDATION COMMENT FILE RETURN CONCURRENCE INFORMATION SIGNATURE  Remarks: Please make the necessary additional distribution of the attached GAO report und comment to the DDC1 re next step, if the recommendations of the	1	10						
5  6  Vaction Direct Reply Prepare Reply Approval Disputch Recommendation COMMENT FILE RETURN CONCURRENCE INFORMATION SIGNATURE  Remarks: Please make the necessary acklitional distribution of the attached GAO report and comment to the DDC1 re next step, if the recommendations of the	2							
of action direct reply prepare reply  Approval displace recommendation  comment file return  concurrence information signature  Remarks:  Please make the necessary  acklitional distribution of the attached GAO report and comment to the DDC1 re next step, if the recommendations of the	3							
of Action Direct Reply Prepare Reply Approval Displayed Recommendation Comment Fire Return Concurrence Information Signature  Remarks:  Please make the necessary acklitional distribution of the attached GAO report and comment to the DDC1 re next step, if the recommendations of the	4							
ACTION DIRECT REPLY PREPARE REPLY APPROVAL DISPLICEM RECOMMENDATION COMMENT FIRE RETURN CONCURRENCE INFORMATION SIGNATURE  Remarks: Please make the necessary ackliftonal distribution of the attached GAO report and comment to the DDC1 re next step, if the recommendations of the	5							
APPROVAL DISPLICE RECOMMENDATION  COMMENT FILE RETURN  CONCURRENCE INFORMATION SIGNATURE  Remarks:  Please make the necessary  acklitional distribution of the attached GAO report and comment to the DDC1 re next step, if the recommendations of the	6							
comment FIRE RETURN CONCURRENCE INFORMATION SIGNATURE  Remarks:  Please make the necessary acklifional distribution of the attached GAO report und comment to the DDC1 re next step, if the recommendations of the	$\sqrt{}$	ACTION	0	IRECT REPLY	<del></del>			
Remarks:  Please make the necessary ackliftonal distribution of the attached GAO report and comment to the DDC1 re next step, if the recommendations of the			<del>                                     </del>		7		HOITAGH	
Remarks:  Please make the necessary  acklitional distribution of the  attached GAO report und comment  to the DDC/ re next step, if  the recommendations of the		<del></del>	<b>}</b>		+		D.P.	
	i de co	Please mak edditional c ettached G o the DDC he recomn	dist Ao i I re nenc	ributio report nexts dations	n o and step s of	fth decice o, i the	mmen f	

FORM NO. 237

Use previous editions

Approved For Release 2004/10/12: CIA-RDP81M00980R001500040040-8



## COMPTROLLER GENERAL OF THE UNITED STATES WASHINGTON, D.C. 20548

\$19 d

Executivo Registry

78-6654

OLC # 78-2528/B

B-162222

October 31, 1978

The Honorable Stansfield Turner Director, Central Intelligence Agency

Dear Admiral Turner:

Enclosed are two copies of our report which finds that an unintended consequence of the export licensing system is to increase uncertainty in export business relationships to the detriment of U.S. exporters.

We believe that the management of export controls should be centralized in the Department of Commerce.

This report includes recommendations to the Congress which affect your agency.

incerely yours

Comptroller General of the United States

Enclosures - 2

## BY THE COMPTROLLER GENERAL

## Report To The Congress

OF THE UNITED STATES

## Administration Of U.S. Export Licensing Should Be Consolidated To Be More Responsive To Industry

Government administration of export licensing is potentially damaging to the export business because management is spread among many agencies. The resulting lack of accountability and the delay and uncertainty in the decisionmaking process can cause exporters to lose sales even if a license is subsequently approved. To increase accountability, export license management responsibility should be concentrated in the Department of Commerce

An export control policy which balances national security, foreign, and international trade policies should be developed by a high level multiagency committee. The Department of Commerce should apply this control policy in its review of export applications.



ID-78-60 OCTOBER 31, 1978